



General Assembly

Amendment

January Session, 2005

LCO No. **5895**

SB0124005895SD0

Offered by:

SEN. MURPHY, 16th Dist.

REP. BERGER, 73rd Dist.

To: Senate Bill No. **1240**

File No. 452

Cal. No. 352

***"AN ACT CONCERNING PROTECTION OF PUBLIC WATER
SUPPLY WATERSHEDS."***

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (*Effective from passage*) (a) As used in sections 501 to 513,
4 inclusive, of this act:

5 (1) "Authority" means a municipal water authority created under
6 the provisions of sections 501 to 513, inclusive, of this act or any entity
7 created by a constituent municipality that is a successor of such a
8 municipal water authority;

9 (2) "Bonds" means any bonds, notes or other obligations or
10 indebtedness issued by an authority pursuant to the provisions of
11 sections 501 to 513, inclusive, of this act and any bonds the proceeds of
12 which are used to refund or defease such bonds;

13 (3) "Cost" or "costs", as applied to any system, means any or all fees,

14 costs and expenses of an authority directly or indirectly related to the
15 business of the authority, including the acquisition, ownership, lease,
16 operation, management, repair, maintenance, expansion, alteration,
17 conveyance or other disposition of a system, or any other property of
18 an authority, whether real or personal, tangible or intangible;

19 (4) "Constituent municipality" means an eligible municipality that
20 has created an authority pursuant to the provisions of sections 501 to
21 513, inclusive, of this act;

22 (5) "Eligible municipality" means any consolidated town and city
23 that (A) was consolidated in 1902, (B) has a mayor and board of
24 aldermen form of government, and (C) has a population of more than
25 one hundred thousand people;

26 (6) "Municipality" means any town, city, borough, consolidated
27 town and city or consolidated town and borough; and

28 (7) "System" means plants, structures and any interests in any other
29 property, real or personal, tangible or intangible, acquired,
30 constructed, operated or used in connection with accumulating,
31 supplying or distributing water, including land, reservoirs, basins,
32 dams, canals, aqueducts, standpipes, conduits, pipelines, mains,
33 pumping stations, water distribution systems, compensating
34 reservoirs, waterworks or sources of water supply, wells, purification
35 or filtration plants or other plants and works, connections, rights of
36 flowage or diversion and other plants, structures, conveyances,
37 property, real or personal, tangible or intangible, or rights therein and
38 appurtenances necessary or useful and convenient for the
39 accumulation, supply or distribution of water.

40 (b) Notwithstanding the provision of any general statute, special act,
41 municipal charter or ordinance, any eligible municipality may, by
42 resolution of its legislative body, adopt and exercise the powers
43 granted to an eligible municipality pursuant to the provisions of
44 sections 501 to 513, inclusive, of this act and create an authority, which
45 shall be a public corporation, created for the purposes, charged with

46 the duties and granted the powers provided in sections 501 to 513,
47 inclusive, of this act, and, by resolution of its legislative body, transfer
48 to an authority, by sale, lease, gift or otherwise, all or any portion of a
49 system in accordance with the provisions of sections 501 to 513,
50 inclusive, of this act. The resolution creating the authority shall contain
51 a brief statement of the purpose of the authority and shall set forth the
52 articles of incorporation of the authority, as follows: (1) The name of
53 the authority and the address of its principal office; (2) a statement that
54 the authority is created as an authority under sections 501 to 513,
55 inclusive, of this act; and (3) the names, addresses and terms of office
56 of the initial directors of the authority.

57 (c) Each resolution adopted pursuant to subsection (b) of this section
58 shall be submitted to the electors of the eligible municipality for their
59 approval. Not later than fourteen days after the adoption of such
60 resolution a copy of such resolution shall be published in a newspaper
61 having a general circulation within the eligible municipality in which
62 such resolution was adopted together with a notice of the time that a
63 referendum shall be held on the question of approval of such
64 resolution. The question of approval of such resolution shall be
65 submitted to the electors of such municipality at a special election
66 called for such purpose to be held not less than thirty days, or more
67 than sixty days, after adoption of such resolution, in conformity with
68 the provisions of section 9-369 of the general statutes or, if a regular
69 municipal election is to be held more than sixty days, but not more
70 than one hundred twenty days, after the adoption of such resolution,
71 such question shall be so submitted at such regular election and a vote
72 thereon shall be taken in the manner prescribed by said section 9-369.
73 If a majority of those voting in any such referendum vote to approve
74 such resolution, such resolution shall thereupon become effective. If
75 less than a majority of those voting in any such referendum vote to
76 approve such resolution, it shall become null and void.

77 (d) The authority shall be comprised of thirteen directors, appointed
78 as follows: (1) Five appointed by the mayor, all of whom shall be
79 residents and taxpayers of the constituent municipality and three of

80 whom shall have expertise in water issues; (2) three appointed by the
81 president of the constituent municipality's board of aldermen, two of
82 whom shall be attorneys with expertise in municipal law; (3) two
83 appointed by the majority leader of the constituent municipality's
84 board of aldermen; (4) one appointed by the minority leader of the
85 constituent municipality's board of aldermen; and (5) two appointed
86 by the chairperson of the constituent municipality's board of finance,
87 each of whom shall be residents and taxpayers of the constituent
88 municipality with expertise in municipal water supply systems. All
89 appointments to the authority shall be made not later than thirty days
90 after the referendum approving creation of the authority.

91 (e) The constituent municipality of an authority shall, by resolution
92 of its legislative body, determine the method of determining the
93 directors' compensation, if any, the method of removal and the terms
94 of office of directors and officers. Directors' terms shall be so arranged
95 that not more than one-half of such terms shall expire within any one
96 year. The constituent municipality of an authority may, by resolution
97 of its legislative body, establish codes of conduct and conflict of
98 interest rules for the authority's directors, officers and employees.

99 (f) By resolution of its legislative body, the constituent municipality
100 shall prepare and submit a preliminary plan of operation for the
101 proposed authority to the Commissioners of Environmental Protection
102 and Public Health and the State Treasurer for their review and
103 approval in accordance with sections 501 to 513, inclusive, of this act.
104 Such plan of operation shall include the procedure by which bonds of
105 such authority shall be approved and issued. The Commissioner of
106 Environmental Protection shall review the authority's preliminary plan
107 of operation and approve it, if, after consultation with the Secretary of
108 the Office of Policy and Management, said commissioner finds that
109 such preliminary plan of operation is in furtherance of the
110 environmental protection laws of the state. The Commissioner of
111 Public Health shall review the authority's preliminary plan of
112 operation and approve it, if, after consultation with the Secretary of the
113 Office of Policy and Management, said commissioner finds that such

114 preliminary plan of operation is in furtherance of the public health
115 laws of the state. The State Treasurer shall review the authority's
116 preliminary plan of operation and approve it, if the Treasurer finds
117 that the authority operating under such plan of operation is eligible to
118 apply for financing under sections 22a-477 to 22a-483, inclusive, of the
119 general statutes. An authority shall not change the procedure for
120 approving the issuance of its bonds as prescribed by its plan of
121 operation without the approval of its constituent municipality and the
122 State Treasurer.

123 (g) Upon the approval of such resolution or resolutions by a
124 majority of those voting in a referendum pursuant to subsection (c) of
125 this section, and the approval of a preliminary plan of operation for
126 such authority by the Commissioner of Environmental Protection, the
127 Commissioner of Public Health and the State Treasurer, the authority
128 created thereby shall constitute a public body politic and corporate of
129 the state, and a political subdivision of the state established and
130 created for the performance of an essential public and governmental
131 function. Any rejection of a preliminary plan of operation shall not
132 preclude the submission of a revised plan. The approval of the
133 preliminary plan of operation by the Commissioner of Environmental
134 Protection, the Commissioner of Public Health and the State Treasurer,
135 in accordance with sections 501 to 513, inclusive, of this act shall
136 constitute conclusive evidence of the state's approval of the creation of
137 an authority and the transfer of a system, by sale, lease, gift or
138 otherwise, from a constituent municipality to an authority, under
139 sections 501 to 513, inclusive, of this act.

140 (h) The amount of consideration to be paid by an authority to its
141 constituent municipality for the sale or lease of a system shall not be
142 greater than the fair market value determined pursuant to a valuation
143 analysis accepted by resolution of the constituent municipality's
144 legislative body.

145 (i) In connection with the transfer of any system from a constituent
146 municipality to an authority by sale, lease, gift or otherwise:

147 (1) All employees of the constituent municipality whose
148 employment relates to the transferred system and who are necessary
149 for the operation of the transferred system, shall become employees of
150 the authority and shall be credited by the authority with all rights that
151 have accrued as of the date of such acquisition with respect to
152 seniority, sick leave, vacation, insurance and pension benefits in
153 accordance with the records, personnel policies or labor agreements of
154 the constituent municipality.

155 (2) The authority shall assume and observe all accrued pension
156 obligations of the constituent municipality to current and former
157 employees of the constituent municipality whose employment related
158 or relates to the transferred system, and members and beneficiaries of
159 any pension or retirement or other employee benefit system or other
160 benefits established by the constituent municipality shall continue to
161 have such rights, privileges, benefits, obligations and status with
162 respect to such established systems as have accrued as of the date of
163 transfer of any system from a constituent municipality. The authority
164 may enter into agreements with representatives of its employees
165 relative to the inclusion of its employees in any applicable state or
166 municipal employees' retirement plan or plans, and the authority shall
167 constitute a municipality eligible to participate in such retirement
168 plans. The authority may enter into agreements with representatives of
169 its employees relative to the transfer to or the establishment of pension
170 trust funds under the joint control of such authority and
171 representatives of its employees and shall have all powers necessary to
172 maintain and administer such trust funds jointly with representatives
173 of its employees.

174 (3) The authority shall assume and observe all collective bargaining
175 agreements of the constituent municipality for current employees of
176 the constituent municipality whose employment relates to the
177 transferred system in existence at the date of transfer of any system
178 from such constituent municipality, and all obligations incurred by
179 such agreements regarding wages, salaries, hours, sick leave and other
180 leave, working conditions, grievance procedures, collective bargaining

181 and pension or retirement.

182 (4) The authority shall assume and observe personnel policies of the
183 constituent municipality pertaining to current employees whose
184 employment relates to the transferred system in existence at the time
185 of transfer and are not covered by collective bargaining agreements,
186 and all obligations incurred through such personnel policies regarding
187 wages, salaries, hours, sick leave, vacation, pension and retirement,
188 subject to such modifications as the authority may subsequently adopt,
189 provided such modifications shall not affect any rights of such
190 employees that have vested prior to such modification.

191 (j) Nothing in sections 501 to 513, inclusive, of this act shall be
192 construed to prohibit the authority from exercising the normal
193 prerogatives of management with respect to such matters as the
194 promotion, demotion, assignment, transfer or discharge of its
195 employees, nor shall the authority be bound by any terms of any
196 personnel policy entered into by the constituent municipality in
197 anticipation of its transfer of any system to the authority.

198 (k) The relations between the authority and its employees with
199 respect to collective bargaining and the arbitration of labor disputes
200 shall be governed by sections 7-467 to 7-478, inclusive, of the general
201 statutes.

202 (l) Upon the creation of an authority and the transfer of a system
203 from a constituent municipality to an authority by sale, lease, gift or
204 otherwise, pursuant to the provisions of sections 501 to 513, inclusive,
205 of this act, the authority shall promptly reimburse the constituent
206 municipality for all fees, costs and expenses, including professional
207 fees, paid or incurred by the constituent municipality related to the
208 creation of the authority and related to the transfer of any system, by
209 sale, lease, gift or otherwise, from the constituent municipality to the
210 authority.

211 (m) Any system owned, leased or operated by an authority shall be
212 considered a municipal waterworks system under chapter 102 of the

213 general statutes, with all rights under chapter 102, except as otherwise
214 provided in sections 501 to 513, inclusive, of this act.

215 (n) An authority and its corporate existence shall continue until
216 terminated by law or by resolution of the constituent municipality's
217 legislative body, provided no such law or resolution shall take effect so
218 long as the authority has bonds or other obligations outstanding,
219 unless adequate provision has been made for the payment or
220 satisfaction of such bonds or other obligations in accordance with the
221 terms of the authority's financing agreements and bond resolutions.
222 Upon termination of the existence of an authority, all of the
223 obligations, rights and properties of the authority shall pass to and vest
224 in the constituent municipality. No such termination shall relieve such
225 constituent municipality of any liability, responsibility or obligation
226 incurred by it concerning the authority or as a user of any of the
227 authority's system.

228 (o) Notwithstanding any provision of the general statutes, special
229 act or municipal charter or ordinance, the approvals required under
230 sections 501 to 513, inclusive, of this act shall be the only state and local
231 approvals required in connection with the creation of an authority, the
232 transfer, by sale, lease, gift or otherwise, of a system by a constituent
233 municipality to an authority and the initial ownership, lease or
234 operation of a system by an authority, provided, such transfer, by sale,
235 lease, gift or otherwise, complies with applicable provisions of the
236 constituent municipality's charter and ordinances concerning such
237 transfer, by sale, lease, gift or otherwise. Nothing in sections 501 to 513,
238 inclusive, of this act shall relieve an authority from thereafter
239 complying with applicable laws and regulations related to ownership,
240 lease or operation of a system, except as provided otherwise in sections
241 501 to 513, inclusive, of this act. Any transfer of a system, by sale, lease,
242 gift or otherwise, by a constituent municipality to an authority shall be
243 subject to any and all contractual obligations of the constituent
244 municipality related to the system.

245 Sec. 502. (*Effective from passage*) (a) Any authority created pursuant

246 to sections 501 to 513, inclusive, of this act may:

247 (1) Sue and be sued and institute, prosecute, maintain and defend
248 any action or proceeding in any court or before any agency or tribunal
249 of competent jurisdiction;

250 (2) Have a seal and alter the same at its pleasure;

251 (3) Purchase, receive by gift, lease, condemn for public purposes or
252 otherwise acquire an interest in, or the right to use, hold and dispose of
253 any property, real or personal, tangible or intangible, including any
254 existing system or parts thereof, and any interest in such property as it
255 may deem necessary, desirable or convenient, subject to approval by
256 referendum of any transaction that involves property valued in excess
257 of two hundred thousand dollars;

258 (4) Sell, lease, grant options to purchase or to renew a lease for any
259 interest in all or any portion of a system of the authority on such terms
260 as the authority may determine to be necessary, desirable or
261 convenient, subject to approval by referendum of any transaction that
262 involves property valued in excess of two hundred thousand dollars;

263 (5) Mortgage or otherwise encumber all or any portion of the
264 property of the authority, real or personal, tangible or intangible, or
265 assume all of any portion of any obligations incurred by a constituent
266 municipality in connection with the acquisition, construction or
267 operation of any system transferred to or operated by the authority, or
268 any person operating a system on behalf of such authority whenever,
269 in the opinion of the authority, such action is deemed to be in
270 furtherance of the purposes of sections 501 to 513, inclusive, of this act;

271 (6) Own, operate and maintain any system of the authority and
272 make provision for its management;

273 (7) Determine the location and character of any system to be
274 developed by the authority and construct, reconstruct, replace, enlarge
275 and extend any system of the authority, including provision for the

276 inspection and supervision thereof and the engineering, architectural,
277 legal, fiscal and economic investigations and studies, surveys, designs,
278 plans, working drawings, specifications, procedures and any other
279 actions incidental thereto;

280 (8) Contract for architectural, engineering and design, and
281 construction supervision, system management and facility
282 management services, and for such other professional or technical
283 services as may require either the prequalification of a contractor or the
284 submission by any individual, firm or consortium or association of
285 individuals or firms of a proposal in response to an official request for
286 proposal or similar written communication of such authority, deemed
287 necessary, desirable or convenient in carrying out the purposes of such
288 authority;

289 (9) Contract for the construction, operation or management of
290 systems of the authority with private persons or firms, or consortia of
291 such persons or firms, as the authority may deem necessary, desirable
292 or convenient;

293 (10) Contract with municipalities, municipal, state and regional
294 water authorities, and municipal, state, regional and federal agencies
295 to provide water and related services, and to plan, design, construct,
296 manage, operate and maintain systems and facilities on their behalf;

297 (11) Purchase water approved by the Commissioner of Public
298 Health from any person, private corporation or municipality when
299 necessary or convenient for the operation of any system owned, leased
300 or operated by the authority;

301 (12) Adopt and amend bylaws, rules and regulations governing the
302 administration of its property and the conduct of its affairs and may
303 revise its plan of operation to better fulfill the purposes of sections 501
304 to 513, inclusive, of this act; except that an authority may not change
305 the procedure for approving the issuance of its bonds as prescribed by
306 its plan of operation without the approval of the constituent
307 municipality and the State Treasurer. A copy of such bylaws, rules and

308 regulations and all amendments thereto, duly certified, shall be filed in
309 the office of the city clerk of the constituent municipality and with the
310 Secretary of the State. Any superior court located within the judicial
311 district in which the constituent municipality is located shall have
312 jurisdiction over any violation of such bylaws, rules or regulations and
313 the authority may prosecute actions before the superior court to
314 enforce such bylaws, rules and regulations;

315 (13) Make contracts and execute all necessary or convenient
316 instruments, including evidences of indebtedness, negotiable or
317 nonnegotiable;

318 (14) Appoint such advisory councils as it may deem advisable to
319 benefit the individuals of a constituent municipality or any other users
320 of the system;

321 (15) Borrow money, issue bonds, fund and refund the same and
322 provide for the rights of holders of the authority's obligations;

323 (16) Receive funds from the sale of the authority's bonds and of the
324 sale, lease or other disposition of any interest in its properties, real or
325 personal, tangible or intangible;

326 (17) Make a loan of the proceeds of its bonds or other funds to any
327 private person or entity, any municipality, including any constituent
328 municipality, or any municipal, state or regional authority for the
329 planning, design, acquisition, construction, reconstruction,
330 improvement, equipping and furnishing of a system of the authority,
331 which loans may be evidenced and secured by loan agreements,
332 contracts or any other instruments or agreements containing such
333 terms and conditions as the authority determines necessary, desirable
334 or convenient, including provisions for the establishment and
335 maintenance of reserve funds, and for the construction, use, operation
336 and maintenance and the payment of operating and other costs of a
337 system. In connection with the making of any such loan, an authority
338 may: (A) Purchase, acquire and take assignments of any note or bond
339 of any municipality, including any constituent municipality, any

340 municipal, state or regional authority and any private entity or person
341 (B) receive other forms of security and evidence of indebtedness, and
342 (C) in furtherance of the purposes of sections 501 to 513, inclusive, of
343 this act, and in order to assure the payment of the principal of and
344 interest on such loans, and in order to assure the payment of the
345 principal of an interest on bonds of the authority issued to provide
346 funding for such loans, attach, seize, purchase, acquire, accept or take
347 title to any system, and may sell, lease, rent or otherwise dispose of
348 any interest in any system in accordance with the powers provided in
349 sections 501 to 513, inclusive, of this act;

350 (18) Open the grounds in any public street or way or public grounds
351 for the purpose of laying, installing, maintaining or replacing pipes
352 and conduits, provided the grounds are restored to their previous
353 conditions upon the completion of such work;

354 (19) Apply for and accept grants, loans or contributions from the
355 United States, the state of Connecticut or any agency, instrumentality
356 or subdivision of either of them or from any person, and expend the
357 proceeds for any of its purposes;

358 (20) Indemnify and hold harmless any person in connection with
359 the business of the authority, including, indemnification against
360 taxation by the federal and state governments respecting any state or
361 local property taxes and any realization of tax benefits or incentives
362 associated with ownership of a system or of ownership of any interest
363 in property, real or personal, tangible or intangible;

364 (21) Make plans, surveys, studies and investigations necessary or
365 desirable in conformity with the plan of operation of the authority;

366 (22) Enter upon public or private lands and waters, as may be
367 necessary, to make surveys, soundings, borings and examinations in
368 order to accomplish the purposes of the authority;

369 (23) Establish and impose fees, rates, charges and penalties on users
370 of the system, including the state and any political subdivision thereof,

371 including municipalities and levy assessments on property benefited
372 by the system, including property owned by the state and any political
373 subdivisions thereof, including municipalities, in accordance with
374 sections 501 to 513, inclusive, of this act, for the services it performs
375 and waive, suspend, reduce or otherwise modify such fees, rates,
376 charges, penalties or assessments provided each such fee, rate, charge,
377 penalty or assessment applies uniformly to all users and benefited
378 properties within the constituent municipality with respect to a given
379 type or category of water supply, in accordance with criteria
380 established by the authority, and further provided no change is made
381 in user fees without at least sixty days prior notice to the users affected
382 thereby;

383 (24) Conduct such hearings, examinations and investigations as may
384 be necessary or convenient to the conduct of its operations and the
385 fulfillment of its responsibilities;

386 (25) Obtain access to public records and apply for the process of
387 subpoena if necessary to produce books, papers, records and other
388 data;

389 (26) Retain by contract or employ legal counsel, accountants,
390 engineers, private consultants and other professional advisers;

391 (27) Employ a staff and establish staff duties, compensation and
392 benefits;

393 (28) Establish offices where necessary or convenient in the
394 constituent municipality and where any of the system is located;

395 (29) Otherwise do any and all things necessary or convenient for the
396 exercise of its rights, the performance of its duties, the fulfillment of its
397 obligations, the conduct of its operations and the maintenance of its
398 relationships with the state, municipalities, including, its constituent
399 municipality, regions and other persons.

400 Sec. 503. (*Effective from passage*) (a) The exercise by an authority of

401 the powers granted by sections 501 to 513, inclusive, of this act shall
402 constitute the performance of an essential governmental function and
403 the authority shall not be required to pay any taxes or assessments
404 upon or in respect of a system, or any property of the authority, real or
405 personal, tangible or intangible, levied by any municipality or other
406 political subdivision of the state, or special district having taxing
407 powers of the state, nor shall the authority be required to pay state
408 taxes of any kind, and the authority, its system, property and any
409 bonds and other agreements, instruments and documents evidencing
410 indebtedness of an authority issued under the provisions of sections
411 501 to 513, inclusive, of this act, their transfer and the income
412 therefrom, including revenues derived from the sale thereof, shall at all
413 times be free from taxation, except for estate and gift taxes imposed by
414 the state or any political subdivision thereof, but the interest on such
415 bonds and other indebtedness of the authority shall be included in the
416 computation of any excise or franchise tax. In lieu of such taxes or
417 assessments, with respect to its property, real or personal, tangible or
418 intangible, the authority shall make annual payments to each
419 municipality in which it owns such property equal to taxes that would
420 otherwise be due for such property.

421 (b) To establish the amount of any such payments in lieu of taxes,
422 property owned by an authority shall be assessed in accordance with
423 section 12-63 of the general statutes. Payments in lieu of taxes for
424 property acquired by the authority during any tax year shall be
425 adjusted for such fractional year in accordance with the customary
426 practice in such municipality for adjusting taxes between the buyer
427 and seller of real property. In addition, the authority shall reimburse
428 each such municipality for such municipality's expenses in providing
429 municipal services to any improvements made to or constructed on
430 any real property by the authority, or by any person leasing or
431 operating a system on behalf of an authority, within such municipality.
432 As used in this section, "improvements" does not include water pipes
433 or improvements to water pipes.

434 (c) The authority may contest the assessed valuation of any

435 properties owned by the authority with respect to which any payment
436 in lieu of taxes is determined in the same manner as any owner of
437 property in such municipality. Payments in lieu of taxes payable to any
438 municipality shall be paid by the authority to the municipality upon
439 the date and in the manner provided for the payment of property taxes
440 of the municipality.

441 (d) In the event the authority in any year does not have sufficient
442 funds to make such payments in lieu of taxes, or any portion of them,
443 as the same become due and payable, the authority shall adjust its
444 rates and charges, so as to provide funds to make such payment. Any
445 municipality aggrieved by the failure of an authority to make any
446 payment in lieu of taxes or portion thereof as the same becomes due
447 and payable may apply to the superior court for the judicial district in
448 which such municipality is situated for an order directing the authority
449 to appropriately increase its rates and charges.

450 Sec. 504. (*Effective from passage*) An authority shall have an annual
451 audit of its accounts, books and records by a certified public
452 accountant selected by the authority. A copy of the audit shall be filed
453 in the office of the city clerk of the constituent municipality and with
454 the Public Utilities Control Authority, and shall be available for public
455 inspection during the ordinary business hours of the authority at the
456 principal office of the authority.

457 Sec. 505. (*Effective from passage*) Neither the Public Utilities Control
458 Authority nor any successor board or commissioner shall have
459 jurisdiction of any kind over the authority, or the rates fixed or charges
460 collected by the authority.

461 Sec. 506. (*Effective from passage*) An authority shall have all rights,
462 including the right to take and use lands, springs, streams or ponds, or
463 any rights or interests therein, granted to a town, city, borough,
464 municipal corporation or corporation authorized by law to supply the
465 inhabitants of any town, city or borough with pure water for public or
466 domestic use. The procedure for condemning land shall be as provided

467 in section 48-12 of the general statutes.

468 Sec. 507. (*Effective from passage*) An authority may assign, for
469 consideration, any and all liens filed by such authority to secure
470 unpaid assessments or connection or use charges of the authority. The
471 consideration received by the authority shall be negotiated between
472 the authority and the assignee. The assignee or assignees of such liens
473 shall have and possess the same powers and rights at law or in equity
474 as such authority would have had if the lien had not been assigned,
475 with regard to the precedence and priority of such lien, the accrual of
476 interest and the fees and expenses of collection. The assignee shall
477 have the same rights to enforce such liens as any private party holding
478 a lien on real property, including, but not limited to, foreclosure and a
479 suit on the debt. Costs and reasonable attorneys' fees incurred by the
480 assignee as a result of any foreclosure action or other legal proceeding
481 brought pursuant to this section and directly related to the proceeding
482 shall be taxed in any such proceeding against each person having title
483 to any property subject to the proceedings. Such costs and fees may be
484 collected by the assignee at any time after demand for payment has
485 been made by the assignee.

486 Sec. 508. (*Effective from passage*) Neither the authority while acting in
487 accordance with sections 501 to 513, inclusive, of this act, nor any
488 person acting on its behalf while acting within the scope of his or her
489 duties shall be subject to any personal liabilities resulting from the
490 erection, construction, reconstruction, maintenance or operation of any
491 system, or resulting from carrying out any of the powers given in
492 sections 501 to 513, inclusive, of this act.

493 Sec. 509. (*Effective from passage*) The state of Connecticut pledges to
494 and agrees with the holders of the bonds of the authority not to (1)
495 limit or alter the rights vested in the authority to (A) acquire, construct,
496 maintain, operate, reconstruct, alter, improve, enlarge and extend any
497 system of the authority, (B) establish and collect the fees, rates, charges
498 and penalties referred to in section 502 of this act, and (C) fulfill the
499 terms of any agreements made with the holders of the bonds, or (2) in

500 any way impair the rights and remedies of the bondholders until the
501 bonds together with interest thereon, interest on any unpaid
502 installments of interest and all costs and expenses in connection with
503 any action or proceeding by or on behalf of the bondholders are fully
504 met and discharged.

505 Sec. 510. (*Effective from passage*) The bonds of the authority shall be
506 securities in which all public officers and bodies of this state and all
507 municipalities, all insurance companies and associations and others
508 persons carrying on an insurance business, all banks, bankers, trust
509 companies, savings banks, savings and loan associations, investment
510 companies and other persons carrying on a banking business and all
511 other persons who are authorized or may be authorized in the future
512 to invest in bonds or other obligations of the state, may properly and
513 legally invest funds, including capital in their control or belonging to
514 them. The bonds shall also be securities that may be deposited with
515 and may be received by all public officers and bodies of this state and
516 all municipalities and municipal subdivisions for any purpose for
517 which the deposit of bonds or other obligations of this state is
518 authorized or may be authorized in the future.

519 Sec. 511. (*Effective from passage*) The state of Connecticut covenants
520 with the purchasers and with all subsequent holders and transferees of
521 bonds issued by the authority, in consideration of the acceptance of
522 and payment for the bonds, that the bonds of the authority, the income
523 therefrom and all moneys, funds and revenues pledged to pay or
524 secure the payment of such bonds shall at all times be free from
525 taxation.

526 Sec. 512. (*Effective from passage*) Insofar as the provisions of sections
527 501 to 513, inclusive, of this act are inconsistent with the provisions of
528 any other general statute or special act or any municipal charter or
529 ordinance, the provisions of sections 501 to 513, inclusive, of this act
530 shall be controlling.

531 Sec. 513. (*Effective from passage*) (a) A person who is aggrieved by a

532 decision of an authority with respect to the establishment of fees, rates,
533 charges or penalties, the sale or other transfer or change of use of real
534 property, the location of purification of filtration plants, the
535 commencement of any project costing more than five million dollars to
536 repair, improve, construct, reconstruct, enlarge or extend any system
537 of the authority or the acquisition by purchase, lease or otherwise of
538 any existing system or part thereof, is entitled to judicial review under
539 this section.

540 (b) Proceedings for review shall be instituted by filing a petition in
541 the superior court for the judicial district in which the constituent
542 municipality is located not later than thirty days after publication of
543 the decision of the authority or, if a rehearing is requested, not later
544 than thirty days after the decision thereon. Copies of the petition shall
545 be served upon the authority and published in a newspaper or
546 newspapers having a general circulation in the constituent
547 municipality.

548 (c) The filing of the petition shall not of itself stay enforcement of the
549 decision of the authority. The authority may grant, or the reviewing
550 court may order, a stay upon appropriate terms, provided enforcement
551 of a decision respecting the establishment of fees, rates, charges or
552 penalties may be stayed only after issuance of a judgment for the
553 appellant by the reviewing court.

554 (d) Not later than thirty days after service of the petition, or such
555 further time as may be allowed by the court, the authority shall
556 transmit to the reviewing court the original or a certified copy of the
557 entire record of the proceeding under review, which includes the
558 authority's findings of fact and conclusions of law, separately stated.
559 By stipulation of all parties to the review proceedings, the record may
560 be shortened. A party unreasonably refusing to stipulate to limit the
561 record may be taxed by the court for the additional costs. The court
562 may require or permit subsequent corrections or additions to the
563 record.

564 (e) If, before the date set for hearing, application is made to the court
565 for leave to present additional evidence, and it is shown to the
566 satisfaction of the court that the additional evidence is material and
567 that there were good reasons for failure to present it in the proceeding
568 before the authority, the court may refer the case back to the authority
569 with instructions to take such evidence as the court directs. The
570 authority may modify its findings and decision by reason of the
571 additional evidence and shall file that evidence and any modifications,
572 new findings, or decisions with the reviewing court.

573 (f) The review shall be conducted by the court without a jury and
574 shall be confined to the record. In cases of alleged irregularities in
575 procedure before the authority, not shown in the record, proof thereon
576 may be taken in the court. The court, upon request, shall hear oral
577 argument and receive written briefs.

578 (g) The court shall not substitute its judgment for that of the
579 authority as to the weight of the evidence on questions of fact. The
580 court may affirm the decision of the authority or remand the case for
581 further proceedings. The court may reverse or modify the decision if
582 substantial rights of the appellant have been prejudiced because the
583 findings, inferences or conclusions are, or the decision is: (1) In
584 violation of constitutional provisions, or in violation of any provision
585 of the general statutes or any special act; (2) in excess of the powers of
586 the authority; (3) made upon unlawful procedure; (4) affected by other
587 error of law; (5) clearly erroneous in view of the reliable probative and
588 substantial evidence on the whole record; or (6) arbitrary or capricious
589 or characterized by abuse of discretion or clearly unwarranted exercise
590 of discretion.

591 (h) In any case in which an aggrieved party claims that he or she is
592 unable to pay the costs of an appeal under this section and will thereby
593 be deprived of a right to which the aggrieved party is entitled, he or
594 she shall, within the time permitted for filing the appeal, file with the
595 clerk of the court to which the appeal is to be taken an application for
596 waiver of payment of such fees, costs and necessary expenses,

597 including the requirements of any bond, if any. The application shall
598 conform to the requirements of section 8-2 of the Connecticut Practice
599 Book. After such hearing as the court determines is necessary, the
600 court shall enter its judgment on the application, which judgment shall
601 contain a statement of facts the court has found, with its conclusions
602 thereon. The filing of the application for the waiver shall toll the time
603 limits for the filing of an appeal until such time as a judgment on such
604 application is entered.

605 (i) The authority shall not be construed to be an agency within the
606 scope of chapter 54 of the general statutes."